



Training Proposals for:

Clean Energy Workforce Development Program (CEWTP)

American Recovery and Reinvestment Act (ARRA)

Panel Meeting of: January 29, 2010

<u>Tab</u>	<u>Name</u>	<u>ETP Number</u>	<u>Requested Amount</u>
A	Home Energy Systems, Inc.	ET10-0602	\$110,500
B	Farmworker Institute of Education and Leadership	ET10-0601	\$663,840
C	California Labor Federation	ET10-0606	\$749,203
D	Shasta Tehama Trinity Joint Community College District	ET10-0604	\$137,410
E	California and Nevada Labor Management Cooperation Trust	ET10-0600	\$450,175
F	Northern California Solar Energy Association, Inc	ET10-0605	\$226,620
G	Solyndra, Inc.	ET10-0603	\$350,550

OVERVIEW

ETP and the California Energy Commission (Energy Commission) have entered a partnership to promote skills development and career advancement in the state's emerging green/clean economy. By the terms of this partnership, ETP will administer CEWTP using the existing "core program" infrastructure to the extent possible.

The Panel's expenditure of ARRA funds is authorized under the state Budget Act for FY2009/10. In addition, a new provision in ETP's enabling law conveys authority to disburse funds from a source other than the Employment Training Tax, and exempts the Panel from rulemaking in setting program guidelines. (UI Code Section 10214.6.)

CEWTP is funded by a \$5 million appropriation of federal funds under the American Recovery and Reinvestment Act (ARRA). From this appropriation, ETP will retain \$500,000 for administrative costs. There will be no expenditure of Employment Training Tax funds for this program.

Given these funding limitations, all CEWTP proposals have been capped at \$500,000 for single employers and \$750,000 for Multiple Employer Contracts. Even so, funding for each of the proposals presented today may need to be reduced after the remaining proposals have been developed for presentation in February and March. Staff recommends that all CEWTP proposals be reduced across-the-board once the "grand total" has been tallied and reconciled with the available amount of funding.

PROGRAM PROFILE

The purpose of CEWTP is to upgrade skills for incumbent workers, and provide a trained workforce, so as to encourage retention and expansion in California for the emerging green/clean industry sector.

The primary business operations for employers and participating employers must be in green/clean technology, for all retraining. As well, the primary job duties for new-hire placements must be in green/clean technology. All of the single-employer and MEC proposals presented to the Panel today are eligible for CEWTP funding under this standard. All participating employers will be screened for compliance with the CEWTP eligibility guidelines, prior to trainee enrollment.

The proposed training, in each instance, will target the following jobs:

1. Jobs that reduce energy or water use in the building trades (e.g., retrofitting, green plumbing, efficient lighting manufacturing)
2. Jobs that produce or transmit renewable energy (e.g., solar panel manufacturing, smart grid installation)

In addition, CEWTP training is focused on the service sector such as jobs for designing, installing, retrofitting, operating and maintaining green/clean technology systems. Training for jobs in the manufacturing sector will also be funded, as a secondary preference, so long as green/clean technology is the primary business operation. All jobs must be for workers with payroll reported in California.

Training that leads directly to a certificate of competency is preferred under CEWTP, for both retraining and new-hire training. Examples of certification entities are: California Building Performance Contractors Association (CBPCA); California Home Energy Efficiency Rating Systems (CHEERS), and Leadership in Energy & Environmental Design (LEED).

Under the Panel's guidelines for CEWTP, adopted at its meeting on November 22, 2009, performance standards will follow the ETP "core program" whenever feasible. For example, the ETP Minimum Wage county-by-county will be used as a benchmark for post-retention wages. Also, the standard range of hours will apply (24-200) although this may be adapted to meet green/clean certification requirements. As well, employers will be expected to make in-kind contributions.

However, the guidelines allow different performance standards for placement and retention, commensurate with the emphasis on green workforce development in the building trades. For new-hire training, there is an option for placement and retention using a portfolio model, whereby the contractor will earn 70% of cost-per-trainee upon completion of training. These earnings will not be subject to reimbursement should placement fail, although the contractor may be required to provide evidence of training value (e.g., an industry-recognized certificate of completion or competency). The contractor will only earn the final 30% of cost-per-trainee after placement and completion of retention. This model is consistent with placement and retention requirements for dislocated worker training under the federal Workforce Investment Act.

The standard “core program” retention period of 90 consecutive days will apply, subject to modification. For example, retention in the building trades may be modified to 200 hours within a period of 365 days, as compared to the ETP “core program” where retention for the building trades may be modified to 500 hours within 272 days. Retention modifications may be approved by the Panel for good cause shown on a case-by-case basis. The duration of retention will be specified for new-hire trainees under the 70% portfolio model, the same as for retraining.